

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 416 – SB 374

March 2, 2017

SUMMARY OF ORIGINAL BILL: Increases, from \$600 to \$1,000, the salary supplement available to professional firefighters and law enforcement officers when such individuals complete annual in-service training.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$8,297,600/FY17-18
Exceeds \$8,297,600/FY18-19 and Subsequent Years

SUMMARY OF AMENDMENT (004037): Deletes and rewrites the bill such that the only substantive change is that the salary supplement available to professional firefighters and law enforcement officers is increased, from \$600 to \$1,800.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$24,892,800/FY17-18
Exceeds \$24,892,800/FY18-19 and Subsequent Years

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 4-24-202, a firefighter must complete 40 hours of training to receive a pay supplement of \$600.
- Pursuant to Tenn. Code Ann. § 38-8-111, a police officer must complete eight months of full-time service as a law enforcement officer and at least 40 hours of in-service training to receive the state cash salary supplement of \$600.
- There are approximately 6,064 fire firefighters and 14,680 law enforcement officers that would be eligible for this cash salary supplement, for a total of 20,744 individuals (6,064 + 14,680).
- An increase in the cash salary supplement of \$1,200 (\$1,800 - \$600).
- The growth rate in firefighter and law enforcement officer positions in this state is unknown and is based on various unknown factors, including but not limited to, the impacts of decisions made by federal, state, and local governments which ultimately impact the employment of firefighters and law enforcement officers in this state. It is

reasonably assumed that the total number of firefighters and law enforcement officers in aggregate will increase over time.

- An increase in state expenditures estimated to be \$24,892,800 (20,744 x \$1,200) in FY17-18.
- A recurring increase in state expenditures is estimated to exceed \$24,892,800 in FY18-19 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jdb